

ANNUAL REPORT



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VISION MISSION VALUES

Vision is the ability to see, even with your eyes closed. To have the ability to see beyond the obvious. To break the shackles of the ordinary. To attain new pinnacles of success through human endeavour! This is our organisation's dream. And our vision for the future. To be the world leader in Information Technology and Education.

Our mission becomes our way of life. We have dared to dream the extraordinary dream. But, the essence of our very being is to make it possible. To transform individuals, corporates and communities worldwide, by providing the best in international-class Education and Business & Technology Solutions. To be the spontaneous response to that stimulus 'IT' in customer's minds. To make a difference to the world. We can do it. Because our universe is larger than life. And characterised by the single-minded pursuit of excellence that is the common bond between us all - enthusiastic, energetic young men and women committed to the creation of a better tomorrow. In order to create the environment for others, we have to first create it for ourselves.

So let's make this the best workplace to be in. Let's do it with pride.

Our values are very human. We have to learn to separate the wheat from the chaff. And imbibe in every member the values of our organisation in order to face the future. With dignity and honour. So let's not lose the human touch in our quest for success.

Let's stand by every commitment made to each individual member and stakeholder of this organisation. Let's nurture an environment where excellence, innovation and continuous learning enables every member of the Aptech family attain his or her true and full potential.

Let's respect, appreciate and reward the pursuit of excellence by any Member or Business Partner who meets his or her own high standards. We will encourage all to take calculated risks in this, the pursuit of excellence.

Let's be a responsible corporate citizen with respect for society, the community, the legal and ethical environments. Let us spare no effort to uphold the national ethos of every country we have operations in.



Notice is hereby given that the Fifth Annual General Meeting of the Members of APTECH LIMITED will be held at Patkar Hall, New Marine Lines, Mumbai - 400 020, on Monday, the 6th day of April, 1998, at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as on 31st December, 1997, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Dr. K. K. Anand who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in modification of the earlier resolution passed by the Members at the Third Annual General Meeting of the Company held on 22nd August, 1996, the Office of the Managing Director of the Company, be and is hereby made subject to liable to retire by rotation;

RESOLVED FURTHER THAT the revision in the remuneration payable to Mr. Ganesh Natarajan, Managing Director of the Company, with effect from 1st January, 1997, as explained in the Explanatory Statement annexed to the Notice, be and is hereby approved."

6. To consider and, if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, Mr. Pramod Khera, who was appointed as an Additional Director by the Board of Directors of the Company and whose term expires at this Annual General Meeting, be and is hereby appointed Director of the Company liable to retire by rotation."

7. To consider and, if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Mr. Pramod Khera as a Whole-time Director with effect from 19th December, 1997 for a period of five years on the terms and conditions and remuneration not exceeding Rs.8,65,500/- p.a. (Rupees Eight Lakhs Sixty Five Thousand Five Hundred only) and rent free furnished accommodation and chauffeur-driven car provided by the Company, with liberty to the Board of Directors, to alter, vary and modify the said appointment/remuneration including salary, allowances and perquisites in such manner as may be agreed to between the Board of Directors and Mr. Pramod Khera within and in accordance with and subject to the limits prescribed in Schedule XIII of the Companies Act, 1956, or any amendment or any statutory modifications thereto, and if necessary, as may be stipulated by the Central Government and as may be agreed to accordingly between the Board of Directors and Mr. Pramod Khera;



RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year during the currency of the term of Mr. Pramod Khera, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Pramod Khera, remuneration by way of salary, allowances and perquisites not exceeding the limits specified in Part II of Schedule XIII of the Companies Act, 1956, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

8. To consider and, if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 16, 94 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), the existing Authorised Share Capital of the Company be and is hereby increased from Rs.6,00,00,000/- (Rupees Six Crores only) to Rs.12,00,00,000/- (Rupees Twelve Crores only) by creation of 60,00,000 (Sixty Lakhs) New Equity Shares of Rs.10/- (Rupees Ten only) each ranking *pari passu* with the existing Equity Shares;

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company, relating to the Share Capital, be and is hereby amended by substituting following Clause V in place and stead of old Clause V:

"V. The Authorised Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crore only) divided into 1,20,00,000 (One Crore Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the Articles of Association of the Company and with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes (being those specified in the Companies Act, 1956) and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such a manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being in force."

9. To consider and, if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association be and is hereby amended by deleting Article 3 and substituting in place and stead thereof the following Article as new Article 3:

"3. The Authorised Share Capital of the Company is Rs.12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the Articles of Association of the Company and with power to increase or reduce the capital of the Company and to divide the Shares in the capital for the time being into several classes (being those specified in the Companies Act, 1956) and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance

with the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privileges or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being in force."

10. To consider and, if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, and the Articles of Association of the Company and in accordance with the guidelines issued by the Securities & Exchange Board of India (SEBI) and subject to such other necessary approvals, if any required, and pursuant to the recommendation of the Board of Directors of the Company, an aggregate sum not exceeding Rs. 5,58,48,120/- (Rupees Five Crores Fifty Eight Lakhs Forty Eight Thousand One Hundred and Twenty only) drawn out of the Company's General Reserve Account or such accounts as are permissible to be utilised for the purpose, be and is hereby capitalised and the sum not exceeding Rs. 5,58,48,120/- (Rupees Five Crores Fifty Eight Lakhs Forty Eight Thousand One Hundred and Twenty only) be transferred to Share Capital and be applied for issue and allotment of Equity Shares not exceeding 55,84,812 (Fifty Five Lakhs Eighty Four Thousand Eight Hundred and Twelve) Equity Shares of Rs.10/- (Rupees Ten only) each as Bonus Shares credited as fully Paid-up, to the Members of the Company holding Equity Shares of Rs.10/- (Rupees Ten only) each, whose names stand on the Company's Register of Members on such date ("Record Date") as the Directors may determine, in the proportion of 1 (One) new Fully-paid Equity Share of Rs.10/- (Rupees Ten only) for every 1 (One) Equity Share of Rs.10/- (Rupees Ten only) held as on the Record Date and that the new Bonus Shares so issued and allotted shall be treated for all purposes as an increase of the Nominal amount of the Equity Share Capital of the Company held by each such member and not as income and the said Equity Shares be issued and allotted, *inter alia*, on the following terms and conditions:

- (a) The new Equity Shares of Rs. 10/- (Rupees Ten only) each to be issued and allotted as Bonus Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with, and carry the same rights as the existing Equity Shares of the Company, notwithstanding the date or dates of allotment thereof, including entitlement to the payment of Dividend, if declared, for the financial year in which the same are allotted except pro-rata Dividend on Equity Shares to be issued and allotted against relevant existing securities issued by the Company ;
- (b) No Letters of Allotment shall be issued for the Bonus Shares and the Share Certificates in respect thereof shall be delivered within Three months from the date of their allotment;
- (c) The issue and allotment of Fully-paid new Equity Shares as Bonus Shares to the extent that they relate to non-residents shall be subject to the approval of Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 (including any statutory modification(s) or re-enactment thereof for the time being in force);

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, and for removal of any difficulty or doubt, the Board (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary,



expedient, usual or proper and to settle any question or difficulty that may arise with regard to the issue and allotment of Bonus Shares as aforesaid or any other matters incidental or consequential thereto."

11. To consider and, if thought fit, to pass with or without modification the following resolution as a **Special Resolution** :

"RESOLVED THAT subject to the approval of the Central Government, Reserve Bank of India and other Regulatory Bodies if required, the consent of the Company be and is hereby accorded for investment by Foreign Institutional Investors/Non-Resident Indians/ Overseas Bodies, Corporates, in the Equity Share Capital of the Company, either by direct investment or by purchase or otherwise by acquiring from the market under Portfolio Investment Scheme on repatriation basis, subject to the condition that such investment together with their existing holdings shall not exceed in aggregate 30% of the Paid-up Equity Share Capital of the Company or such other limit as may be prescribed from time to time by the Central Government and/ or Reserve Bank of India or any other related authority."

By Order of the Board of Directors

KISHOR M. THATTE

Senior Vice President (Finance)
& Company Secretary

Place : Mumbai

Date : 9th February, 1998

Registered Office:

Elite Auto House, 54-A, Sir M. Vasanji Road, Andheri (East), Mumbai 400 093.



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY, IN ORDER TO BE VALID, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 5 to 9 as set out above, is annexed hereto.
3. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days (except Saturdays) up to the date of the Meeting.
4. Members are requested to notify the change, if any, in their address, to the Registrar and Transfer Agents of the Company.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 30th day of March, 1998, to Monday, the 6th day of April, 1998, (both days inclusive).
6. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the Meeting.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5

The appointment of Mr. Ganesh Natarajan as Managing Director was confirmed by the Members at the Third Annual General Meeting of the Company. The Board of Directors of the Company, at its meeting held on 9th June, 1997, revised the remuneration payable to Mr. Ganesh Natarajan, Managing Director, within the limits specified in Part II of Schedule XIII of the Companies Act, 1956, with effect from 1st January, 1997, and accordingly a Supplementary Agreement was executed between the Company and Mr. Ganesh Natarajan. An abstract of the terms and conditions of the revised remuneration has already been forwarded to the Members of the Company.

It is further proposed to amend the terms and conditions of his appointment by making his office subject to liable to retire by rotation by making necessary changes in the Agreement dated 8th August, 1996.

The resolution as set out in Item No.5 of the Notice will be placed before the meeting for the approval of the Members.

None of the Directors of the Company except Mr. Ganesh Natarajan is interested in the resolution.

ITEM NOS. 6 & 7

Mr. Pramod Khera, an employee of the Company was appointed Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, by the Board of Directors at its meeting held on 19th December, 1997. The term of Mr. Pramod Khera as Additional Director expires at the ensuing Annual General Meeting. However, the Company has received a notice under Section 257(1) of the Companies Act, 1956, alongwith a deposit of Rs.500/- (Rupees Five Hundred only) from a Member of the Company proposing Mr. Pramod Khera as a candidate for the office of Director.

The abstract of the terms and conditions of appointment of Mr. Pramod Khera was forwarded to the Members of the Company. The resolution seeking confirmation of appointment of Mr. Pramod Khera as Whole-time Director of the Company and the remuneration payable to him in accordance with the provisions of Part II of Schedule XIII of the Companies Act, 1956, is recommended for the approval of the Members.

The resolutions as set out in Item Nos. 6 & 7 of the Notice will be placed before the meeting for the approval of the Members.

None of the Directors of the Company, except Mr. Pramod Khera, is interested in the resolution.

ITEM NOS. 8 & 9

The present Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

The Board of Directors of the Company has recommended issue of 55,84,812 (Fifty Five Lakhs Eighty Four Thousand Eight Hundred and Twelve) Fully-paid Bonus Shares of Rs. 10/- (Rupees Ten only) each in the proportion of 1 (One) Equity Share for every 1 (One) Share held in the Paid-up Equity Share Capital of the Company.

After the proposed Bonus Issue, the said Paid-up Equity Share Capital of the Company would exceed the existing Authorised Share Capital of the Company.

Hence it is proposed to increase the Authorised Share Capital of the Company and to alter Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company.